BDIC Strategic Plan - 2012-2015

NWT Business Development and Investment Corporation

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Message from the Chairperson and Vice Chairperson

The NWT Business Development and Investment Corporations (BDIC) is entering a period of refined priorities and stakeholder commitment. We are at the beginning of a new three-year strategic plan and have revised our vision to reflect a new way of looking to the future. Our vision is to be **an accountable and independent Crown Corporation providing resources for the economic development of the Northwest Territories.** A harmonious blending of our strategic priorities of strengthening economic development, providing resources for capacity development and enhancing the BDIC's accountability, will enable us to be accountable, independent and transparent in our initiatives. By identifying the opportunities from continued resource development, the BDIC recognizes the vision for economic development in the Northwest Territories (NWT).

Over the next three years, two strategic priorities of economic development and capacity development will guide our actions, and interaction with stakeholders. We will actively participate in opportunities to support continued resource development. We believe that the third priority of transparency and accountability is equally important given the expectancy and importance of advocacy of fiscal expectations of NWT residents. The delivery mechanism of BDIC programs needs to exhibit accountability and responsibility. To achieve this, we commit to advancing independence for the BDIC by proposing changes to its subsidiaries governance and credit facilities delivery mechanisms.

We will focus on economic and capacity development of NWT communities by:

- Increasing business opportunities through expansion of subsidiary and credit facility programs.
- Enhancing the benefit to communities through venture investments and expanding the Business Development Project Fund by adding aftercare.
- Strengthening self-reliance of, and support for, business people to meet their business needs.
- Designing solutions to overcome the recognized challenges facing programs in level I and II communities.

The Board feels that the three strategic priorities motivating this plan are critical to the BDIC's success. We believe in establishing TRUST through integrity, accountability and transparency.

We enter our new three-year strategic plan with excitement and confidence. Our team is focused with a unified desire to make a positive impact on the NWT's economy. **We are business focused people working for business people.**

Introduction

The NWT Business Development and Investment Corporation (BDIC) is a Territorial Crown Corporation that was established on April 1, 2005 to promote and maintain economic development and employment. Since its inception, the BDIC has made progress towards achieving its strategic goals of business development in the NWT. The BDIC has increased its loan portfolio by 20% as well as maintained over 106 person years of direct and indirect employment in the North through its venture investments and subsidiaries. It has also established two new subsidiary companies, created an online ecommerce store for subsidiary products, and divested one successful company to the Tłı̨chǫ Government.

During this period, the BDIC developed new programs and partnerships to achieve a more diversified series of services to potential clients. It has solidified many strategic partnerships with a number of Northern organizations to provide business education to Northerners. The BDIC has also hosted three Northern Economic Development Practitioners (NEDP) conferences which provided training and networking for practitioners.

We are business oriented people working for business people.

The BDIC's 2012-2015 strategic plan builds on the initiatives and investments made in recent years and identifies the revised priorities and actions across the economic continuum. The BDIC's priorities and actions are linked to the goals of the Government of the Northwest Territories:

- A diversified economy that provides all communities and regions with opportunities and choices;
- Sustainable, vibrant, safe communities;
- Effective and efficient government.

BDIC's Vision

An accountable and independent Crown Corporation providing resources for the economic development of the Northwest Territories.

BDIC's Mission

To support the economy by encouraging the creation and development of businesses in communities.

GNWT Goals

- Diversified Economy
- Effective and efficient Government
- Strong and independent North

BDIC's Priorities

- Strengthen **economic development**
- Provide resources for **capacity development**
- Enhance the BDIC's **accountability**

Actions

Economic Development

- Promote BDIC programs
- Research new products and programs
- Enhance online services
- Re-focus venture investment program

Capacity Development

- Establish BDIC positions in all communities
- Sponsor conferences and increase skill development
- Initiate aftercare program
- Track performance of BDPF and aftercare
- Address subsidiary capacity issues

Accountability

- Enhance loan accountability
- Increase BDIC reporting
- Strengthen subsidiary governance

BDIC's Vision

An accountable and independent Crown Corporation providing resources for the economic development of the Northwest Territories.

BDIC's Mission

To support the economy by encouraging the creation and development of businesses in communities.

BDIC Priorities

Strengths	Weaknesses
• *Dedicated, experienced, knowledgeable staff* • *Sound financial controls and resources*	• *Lack of capacity at subsidiaries* • *Lack of accountability in delivery mechanism* • *Lack of resources at community level*
Opportunities	**Threats**
• *Broad political support for BDIC programs* • *Partnership opportunities with financial institutions to offer services at the community level* • *Increased demand for BDIC loan programs due to economic downturn*	• *External interference* • *Increased loan losses due to economic downturn*

Following the review of the BDIC's strengths weaknesses, opportunities and threats, the BDIC has focused on three key priorities to ensure a good framework in reviewing strategy, position and direction for the future.

Priority 1 – Strengthen Economic Development

The BDIC plays a key role in the Government of the Northwest Territories' (GNWT) strategy to strengthen and diversify the NWT economy. The BDIC is uniquely positioned through its role as the GNWT's business investment and lending arm to explore and develop business opportunities that exist in all NWT communities. Through its subsidiary and venture programs the BDIC contributed to the NWT economy by providing employment opportunities at the community level.

Despite the BDIC's strong history of promoting economic development in NWT communities, there remains a real need for further investment to strengthen economic development. Over the next three years, the BDIC will make strengthening economic development in communities as its top priority. This will require the BDIC to actively participate in and support efforts to identify opportunities from continued resource development. It will also require: identifying new strategies to leverage economic growth; strengthening its current financial assistance and investment programs in communities; and sponsoring skill development for entrepreneurs and community economic development

stakeholders. The BDIC will lead efforts in community banking through partnerships, promoting traditional arts and crafts and expanding investments in NWT communities.

Priority 2 – Provide Resources for Capacity Development

The BDIC is the leading source of business resources in the NWT, whether through its financial assistance and investment programs or through Canada Business NWT (CBNWT). In alliance with the Department of Industry, Tourism and Investment, the Canadian Northern Economic Development Agency (CanNor) and Community Futures Development Corporations, the BDIC supports small and medium sized businesses in each region of the NWT.

The BDIC will implement changes to its programs and program delivery to better serve Northern business people, including changes that promote local access to business development resources. This will require additional resources to deliver the BDIC's programs and services at community levels.

Priority 3 - Enhance the BDIC's Accountability

The BDIC, as a Crown Corporation, is accountable through its Board of Directors to the Minister of Industry, Tourism and Investment. To ensure the continued alignment of the BDIC's priorities with its legislated mandate, it will be important to strengthen structures of monitoring and reporting. This will assist to track and measure success, to enhance the accountability of the BDIC to stakeholders, and to hold partners accountable for BDIC program delivery. The BDIC will enforce alternatives to enhance accountability and transparency for delivery of programs and initiatives.

GNWT Goals

The BDIC's three priorities, to strengthen economic development, to provide resources for business development and to enhance the BDIC's accountability are directly consistent with the following 17th Legislative Assembly's goals:

- A diversified economy that provides all communities and regions with opportunities and choices;
- Sustainable, vibrant, safe communities;
- Effective and efficient government.

Actions

The main weaknesses identified in the SWOT Analysis were a lack of capacity at subsidiary level, a lack of accountability from delivery agents, and a lack of resources at the community level. Taking into consideration the BDIC's priorities, several actions have been identified to address these critical issues. These actions will improve economic and capacity development, as well as achieve accountability for the BDIC.

Economic Development

- Re-focus Venture Investment Program:
  - Orient venture program to target client needs such as Research & Development, Equity Leveraging, Franchise opportunities and Youth programs.
  - Expand the types of investments that may be considered to allow NWT businesses greater access to loans from conventional lending institutions.
- Promote the BDIC and its programs by:
  - Exploring tourist destinations for promotion in the NWT.
  - Marketing arts and crafts nationally and internationally.
  - Participating in community meetings, tradeshows and workshops.
- Research new products and programs to stay current on potential opportunities.
- Enhance quality of CBNWT and Arctic Canada Trading Company by improving online services.
- Actively participate in opportunities to support resource development.

Capacity Development

- Promote services or training where lack of capacity.
- Establish additional BDIC positions in communities outside of Yellowknife by recruiting staff at subsidiaries to directly promote and deliver the BDIC's programs.
- Build capacity by sponsorship of conferences and other skills development opportunities for entrepreneurs and community economic development officers.
  - Continuation of biennial Northern Economic Development Practitioners (NEDP) conference.
- Initiate an after-care program for BDIC clients in NWT communities.
- Follow-up on BDPF after-care and funding to track performance.
- Address capacity issues with subsidiary program due to governance and diminishing interest in traditional economy.
  - Change funding to fixed subsidy that expires after a set number of years and development of an exit strategy.

Accountability

- Achieve accountability and transparency with delivery of the BDIC programs to become independent from external influences
- Increase BDIC reporting through:
  - BDIC Chair to report Board member attendance and participation to the Minister.
  - BDIC Chair to report the BDIC's financial results to the Minister on a quarterly basis.
- Change approach to governance and funding of subsidiaries to place more accountability on the General Manager of each subsidiary.

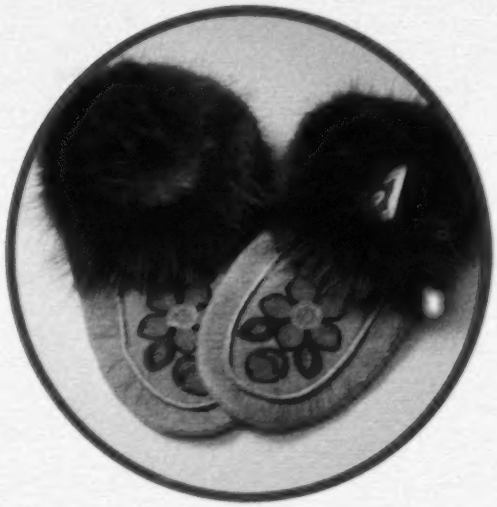
Conclusion

The attainment of the Strategic Priorities set forth in this Plan will make the BDIC a stronger institution in the year 2015 than it is today. The BDIC's vision for the future requires that it continue to offer increasingly high-quality and distinctive economic development services. The BDIC's success begins with the success of the clients.

The BDIC will leverage its network of strategic partners to create unique employment opportunities for the residents in all the communities of NWT. In order to develop the NWT economy, the BDIC realizes that their success is closely tied to their sense of community development. Strengthening the NWT communities requires enhancement of the subsidiary program at the community level and providing direct financial services to the communities. The BDIC will lead a new initiative on community banking seeking partners from the Aboriginal banking sector.

The BDIC's staff and Board are proud to present this strategic plan, yet ultimately; success depends upon the BDIC's ability to shape its own future. This requires commitment from the Government of NWT to grant it the independence of a Crown Corporation to deliver its services in NWT communities. The BDIC needs to hold true to their vision, and execute priorities that enable the attainment of their Mission and Vision. The BDIC's strategic plan charts an exciting and challenging course into the future and provides a framework for creativity, innovation, and advancement. The BDIC will monitor this Strategic Plan annually and update it as needed. In the end this Strategic Plan is only as effective as its implementation, and the BDIC must commit to its implementation to make it a success.

Our success will bring increased employment, increased business, and independence.



BDIC's Priorities	Actions	Timeframe		
		2012/2013	2013/2014	2014/2015
Strengthen **economic development**	Promote BDIC programs	✓	✓	✓
	Research new products and programs	✓	✓	✓
	Enhance online services	✓	✓	✓
	Re-haul venture investment program	✓		
Provide resources for **capacity development**	Establish BDIC positions in all communities		✓	✓
	Sponsor conferences and increase skill development	✓		✓
	Initiate aftercare program	✓		
	Track performance of BDPF and aftercare		✓	✓
	Address subsidiary capacity issues		✓	✓
Enhance the BDIC's **accountability**	Enhance loan accountability	✓	✓	✓
	Increase BDIC reporting	✓	✓	✓
	Change subsidiary governance approach	✓		